By Carrie Johnson Washington Post Staff Writer Tuesday, September 15, 2009

Candidate Barack Obama drew little attention during last year's presidential campaign when he ventured into the thorny territory of church and state.

While President George W. Bush had expanded government contracts to faith-based groups, Obama promised to end that arrangement if the groups proselytized to the needy they served, or hired only members of that faith.

Today, that campaign pledge -- along with other complex questions of religion and government -- are posing something of a dilemma for President Obama, as he tries to balance increasing pressure from the left to renounce Bush-era policies against a desire to find common ground on social issues.

Civil liberties advocates have pressed Obama to keep the promise he made in July 2008 when he told an audience in Zanesville, Ohio: "If you get a federal grant, you can't use that grant money to proselytize to the people you help and you can't discriminate against them -- or against the people you hire -- on the basis of their religion."

But in office, Obama has proceeded far more cautiously. He has reinforced the need for the White House Office of Faith-Based and Neighborhood Partnerships, and dispatched Joshua DuBois, a young Pentecostal minister and an aide on Obama's Senate staff, to reach out to many of the same religious groups whose receipt of substantial federal grants in the Bush administration raised controversy.

Obama has pushed to the Justice Department the most vexing question: whether religious organizations receiving government contracts can reject job candidates on the basis of their faith.

Lawyers in the department's Office of Legal Counsel, which advises the executive branch, are considering a 2007 Bush-era religious freedom memo that carved out an exemption in employment discrimination law, allowing the Justice Department to award \$1.5 million to a Christian charity for a gang-prevention effort, according to a legal source. The question, according to a Justice Department source, is not on the front burner for an office grappling with urgent national security and legislative issues.

"Before the Bush years, religious organizations that got money just assumed they had to hire the most qualified person and couldn't proselytize," said Barry W. Lynn, executive director of Americans United for the Separation of Church and State, which has written Attorney General Eric H. Holder Jr. to demand action. The letter "presents the golden opportunity to the Department of Justice to reverse clearly erroneous past policy and to start looking at a new, constitutionally based framework."

A Polarizing Issue

Some who cast doubt on the Bush administration memo, calling it "flatly erroneous" and "legally suspect," are now aligned with the Obama administration. They include Dawn Johnsen, who has been nominated to lead the OLC, and Martin Lederman, a deputy in the office since January.

Even as groups including Americans United and the ACLU urge Obama to draw a bright line between government funding and religious activity, it remains unclear how sharp a break the president wants on a subject that polarizes audiences as well as many swing voters.

Ben LaBolt, a White House spokesman, said Obama has reinforced "his commitment to ensuring that we partner with faith-based organizations in a way that is consistent with our Constitution, laws and values. The administration will continue to evaluate these difficult legal questions as they arise in particular cases or programs."

That hews closely to an executive order Obama issued in February. It said authorities would ensure that "services paid for with federal government funds are provided in a manner

consistent with fundamental constitutional commitments guaranteeing the equal protection of the laws and the free exercise of religion and prohibiting laws respecting an establishment of religion."

The document also said the director of the White House faith-based office, "acting through the counsel to the President, may seek the opinion of the Attorney General on any constitutional and statutory questions involving existing or prospective programs and practices."

A Constitutional Right?

Steven T. McFarland, vice president and chief legal officer at World Vision, which supports aid efforts in 100 countries, said needy people around the world will lose if the Obama Justice Department changes course. The Christian charity helps victims of earthquakes, famine and other natural disasters, provides food and support to refugees and abandoned children, and cares for people suffering from HIV-AIDS across three continents.

Richard Stearns, president of World Vision's American operations, sits on a presidential advisory panel, and has emphasized the importance of hiring to World Vision's identity with members of the administration's faith-based office, the charity said. The Bellevue, Wash.-based group has been using religion as a factor in hiring for years.

"What is at stake is whether faith-based organizations can continue to exercise their constitutional right to remain faith-based and still compete for federal grants," said McFarland, who headed the Task Force on Faith-Based and Community Initiatives in the Bush Justice Department. "The power to determine the criteria for employees is the power to determine the ultimate identity, mission, and direction of the organization, nothing less."

But several Democratic lawmakers, including Rep. Robert C. Scott (Va.), are calling on Obama to take aggressive steps to roll back the Bush administration's government-wide initiatives. Scott said he is particularly concerned with the civil rights implications of the hiring question, since many religious congregations are not racially diverse and faith-based employment decisions by federal grantees can limit job opportunities for minorities.

"We had that debate 40 years ago, and we concluded that you can't discriminate on the basis of employment," Scott said. "If you cannot comply with equal opportunities in employment, you just can't win a government contract."

A Complex Issue

Experts said the issue is unusually complex.

Ira C. Lupu, a professor who studies law and religion at the George Washington University, said several other programs include language on religion and hiring, in addition to the Bush-era executive orders and the Justice Department legal memos interpreting the Religious Freedom Restoration Act, a 1993 law designed to protect those exercising religious beliefs.

Several federal grant programs contain language from Congress forbidding religious favoritism in employment. They include the Justice Department's juvenile justice crime prevention efforts, which fund anti-gang initiatives and after-school programs that sometimes have a religious bent, and the Department of Health and Human Services' drug rehabilitation initiatives.

But other laws authorizing community service block grants to states and local governments for social services include language making clear that religious groups that do faith-based hiring have a right to win grant money. Title VII of the Civil Rights Act also offers an exemption from the ban on religious discrimination in employment for houses of worship, schools and churches. These rules can be altered only with Congress's approval.

Finally, Congress has been silent on the question of faith-based hiring by grantees in some federal grant programs, such as food-distribution efforts. Changes by the White House and executive branch in those programs might require the least amount of political capital or legal wrangling, experts said.

Lynn, of Americans United, called the president's cautious approach "a big surprise and of course a big disappointment for those of us fighting this during the Bush years." But he emphasized that Obama could be reaching to find common ground, perhaps by requiring

religious groups who win federal funds to set up nonprofit offshoots: "I still have a guarded optimism that he will do in the long run the things he said in Zanesville."

Original Post: The Washington Post.com